

**Field Checklist for Data Submissions to the Finance Office**  
**Fiscal Year 2000 Audit of NOAA's Consolidated Financial Statements**

**Background:** Financial statement audits performed by NOAA's contract auditors, KPMG Peat Marwick, have highlighted errors and other deficiencies in financial information included in NOAA's financial statements. Much of the information included in NOAA's consolidated financial statements is received at the Finance Office from line/field offices.

**Purpose:** The purpose of this checklist is to ensure that financial information forwarded to the Finance Office from field elements is fairly stated and meets or complies with applicable management assertions. These assertions are made when financial information is submitted for inclusion in the consolidated financial statements subject to audit procedures.

**Scope:** This checklist should be completed by field elements or line offices which submit financial information to the Finance Office to be included in NOAA's consolidated financial statements.

**Assertions and General Limitations:** The following assertions are made by managers when financial information is submitted to any party for inclusion in the financial statements and subject to audit procedures by NOAA's contract auditors.

1. Completeness--All financial information submitted is properly recorded and classified. All economic events that occurred in the current period should be recorded in the current period. The summarization of recorded transactions should not be understated.
2. Existence or Occurrence-- Recorded assets and liabilities, at a given date, should exist and be supported by appropriate detailed records. Recorded transactions should represent events that actually occurred and should be properly classified.
3. Rights and Obligations--Transactions are reported in the proper period and properly authorized. Assets and liabilities should be the entities rights and obligations, respectively, at a given date. Transactions recorded in the current period should represent economic events that occurred during the current period. Recorded assets should be owned by the entity.
4. Valuation and Allocation--Financial information is accurate and reliable. Transactions should be recorded at correct amounts. Assets and liabilities included in the financial statements should be valued on an appropriate valuation basis.
5. Presentation and Disclosure--Financial information is properly exhibited in the financial statements in accordance with applicable laws and regulations. Accounts should be properly classified and described in the financial statements. The financial statements or footnotes should contain all information required to be disclosed.

Field office personnel should use judgment when completing the following checklist to ensure the accuracy and reliability of information submitted to the Finance Office for inclusion in the consolidated financial statements. The following steps or procedures are not an all inclusive list and, further, may not be applicable to the type of information submitted. Although the checklist was constructed to present the pertinent procedures under each assertion, be aware that many procedures provide support for multiple assertions. Where procedures involve sampling, the number of items reviewed and methodology of choosing the sample (i.e., statistical, judgmental, or haphazard sample) is at the discretion of the field office. If any procedures are not applicable to the financial information presented by your office, write NA in the explanations column. Users of this checklist should modify the procedures accordingly with approval by field office management.

| Assertion and Procedure                                                                                                                                                                                                                    | Procedure Completed |    | Explanations |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|----|--------------|
|                                                                                                                                                                                                                                            | Yes                 | No |              |
|                                                                                                                                                                                                                                            |                     |    |              |
| <b><i>Completeness</i></b>                                                                                                                                                                                                                 |                     |    |              |
|                                                                                                                                                                                                                                            |                     |    |              |
| 1. Perform analytical procedures--compare quantities, amounts or other information to prior year balances and investigate any unusual fluctuations. Obtain explanations for large differences.                                             |                     |    |              |
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| 2. If subsidiary records and support are maintained, trace (1) all or a sample of subsidiary items to summary records, and (2) all or a sample of items on summary schedule to subsidiary records to ensure completeness of all schedules. |                     |    |              |
|                                                                                                                                                                                                                                            |                     |    |              |
| <b><i>Existence or Occurrence</i></b>                                                                                                                                                                                                      |                     |    |              |
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| 1. Inspect and count all or a sample of items reported. For example, observe the physical inventory of nautical and aeronautical maps and charts.                                                                                          |                     |    |              |
|                                                                                                                                                                                                                                            |                     |    |              |
| 2. Choose a sample of items in the summary schedules and agree to supporting documentation. For example, trace inventory items on supporting schedules to physical counts of inventory, or individual costs to vendor invoices, etc..      |                     |    |              |

| Assertion and Procedure                                                                                                                                                                                                                                                                                | Procedure Complete |    | Explanations |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|----|--------------|
|                                                                                                                                                                                                                                                                                                        | Yes                | No |              |
|                                                                                                                                                                                                                                                                                                        |                    |    |              |
| 3. For information such as property, plant, and equipment, review subsidiary records for unrecorded retirements.                                                                                                                                                                                       |                    |    |              |
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| <b><i>Rights and Obligations</i></b>                                                                                                                                                                                                                                                                   |                    |    |              |
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| 1. Review cutoffs at year end (September 30). For example, review subsequent receiving reports (after 9/30) for inventory to ensure that inventory received on or before the cutoff date is included as inventory held, and any inventory received after the cutoff date is not included in inventory. |                    |    |              |
|                                                                                                                                                                                                                                                                                                        |                    |    |              |
| 2. Also see procedures for existence                                                                                                                                                                                                                                                                   |                    |    |              |
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| <b><i>Valuation and Allocation</i></b>                                                                                                                                                                                                                                                                 |                    |    |              |
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| 1. Foot and crossfoot summary schedules.                                                                                                                                                                                                                                                               |                    |    |              |
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| 2. Reconcile summary schedules to financial management systems such as RSMIS, if possible.                                                                                                                                                                                                             |                    |    |              |
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| 3. Where information being submitted involves calculations, re-calculate items on a test basis. For example, re-calculate monthly or annual depreciation expense for a sample of property items.                                                                                                       |                    |    |              |
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| 4. Foot and crossfoot subsidiary schedules.                                                                                                                                                                                                                                                            |                    |    |              |
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| Assertion and Procedure                                                                                                                                                                                                                                        | Procedure Complete |    | Explanations |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|----|--------------|
|                                                                                                                                                                                                                                                                | Yes                | No |              |
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| 5. Review information for overall reasonableness. For example, if write-offs of receivables have averaged \$6,000 for the past 10 years, and the allowance for doubtful accounts is valued at \$15,000, investigate the cause of the unusually high allowance. |                    |    |              |
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| <b><i>Presentation and Disclosure</i></b>                                                                                                                                                                                                                      |                    |    |              |
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| 1. Review disclosure requirements such as OMB Bulletin 97-01 or the FASAB's for the areas which your office is submitting financial information to ensure all information has been provided to Finance.                                                        |                    |    |              |
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| 2. Review the information to be submitted for adequacy. Is information submitted sufficient to meet reporting and disclosure requirements? If not, obtain necessary information to be included in the data submission.                                         |                    |    |              |
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| 3. Are there any liens, or restrictions on the information, or assets/liabilities being submitted to Finance? For example, NOAA owns property or other assets, but there are 3rd party claims against the property. Is this information disclosed?             |                    |    |              |
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| 3. If there are any questions concerning the adequacy of the information submitted to the Finance Office, contact FO and discuss your concerns.                                                                                                                |                    |    |              |
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